

# How does sudden income loss impact child maltreatment risk?

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## What can we learn from this study?

Although economic hardship often is linked to a family's involvement with child protective services (CPS), research is limited on how factors such as sudden income loss contribute to this risk. This research examines the relationship between earnings instability and CPS involvement, including whether access to safety-net programs reduces the likelihood of involvement, and how the timing, magnitude, and pattern of income loss influence CPS outcomes. To pinpoint the timing and nature of each maltreatment allegation, the study analyzes earnings data from the quarter preceding CPS contact.

### Study details

- **Population:** 2,429 unique caregivers with recently closed CPS investigations
- **Data sources:** Administrative data from a randomized controlled trial in Milwaukee; Wisconsin Administrative Data Core; Wisconsin Statewide Automated Child Welfare Information System; quarterly administrative data; time-to-event analysis
- **Methodology:** Event history analysis; Kaplan-Meier analysis; Cox proportional hazard specification
- **Dates:** Late 2012 through the end of 2016

## What are the critical findings?

- "Income shocks" — a 30% drop in earnings from one quarter to the next — were linked to CPS investigations only when not offset by social welfare benefits, suggesting that **unbuffered income loss may have an immediate effect on CPS involvement**.
  - These income shocks led to an increase in any CPS investigation (27%), as well as abuse (38%) and neglect (25%) investigations.
- Slightly **over half the families studied experienced an earnings shock** from one quarter to the next at some point during the study.
  - 45% of families were investigated for child maltreatment: 18% for abuse and 38% for neglect (categories were not mutually exclusive).
  - Each additional income shock was linked to a 13% to 15% higher risk of a CPS report.
- Offsetting income loss with social welfare benefits resulted in a 12% decrease in CPS involvement in children under 5 years old. Their **risk of abuse decreased by nearly half**.

## Why is this important to our work?

Adverse changes in the labor market can lead to significant financial hardships for families with young children, resulting in heightened stress and unmet basic needs. These conditions can contribute to a rise in the risk of child maltreatment over time, increasing the likelihood of CPS involvement. The findings of this study highlight the importance of income support programs, suggesting that access to supplemental benefits in times of family stress is essential for mitigating the negative effects of earnings instability, reducing the risk of CPS involvement and addressing long-term risks to children's safety and well-being.

To learn more, see: [How do economic supports benefit families and communities?](#) and [How are child welfare systems using flexible funds to support families and prevent the need for foster care?](#)

This summary synthesizes the findings from a single research study. For additional information [see the abstract](#) or email [KMResources@casey.org](mailto:KMResources@casey.org)